Low cost airlines

2891. DR. K. MALAISAMY:
SHRI C. PERUMAL:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) the current status and future prospects of low cost airlines in the country;

(b) the number of low cost airlines in the market;

(c) the reasons for their slow growth despite of their tremendous potential in the country, the operational bottlenecks and regulatory constraints currently faced by the Civil Aviation Sector;

(d) whether low cost carriers in Indian Aviation industry has not grown substantially in greater speed and are not going to stabilize in the coming years; and

(e) what would be their pace of growth?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) to (e) At present, Air Deccan, Spicejet and Go Airlines are the low cost airlines engaged in scheduled domestic air services. Air Deccan commenced scheduled air services in August, 2003 and Spicejet and Go Airlines commenced their scheduled air services in May 2005 and November, 2005 respectively. The number of passengers carried by Air Deccan has increased from 0.51 lakhs in August, 2003 to 19.49 lakhs in November 2005 and by Spicejet from 0.10 lakhs in May, 2005 to 1.22 lakhs in November 2005. Airlines operate in a competitive environment are the pace of growth/stability of various airlines depend on market conditions, passenger preferences, cost of operations etc.

Direct air service between Bhubaneshwar and Bangalore

2892. MS. PRAMILA BOHIDAR:
SHRI B.J. PANDA:

Will the Minister of CIVIL AVIATION be pleased to state:-

(a) whether it is a fact that there is no direct flight between Bhubaneshwar and Bangalore;

(b) whether the state Government has made a request for this direct flight in view of development of their IT sector; and

(c) if so, the status of the case and the time-frame within which it would be done?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) Yes, Sir.

(b) and (c) Yes, Sir. Government has laid down route dispersal guidelines with a view to achieve better regulation of air transport services taking into account the need for air transport services of different regions of the country. It is, however, upto the airlines to provide air services to specific places depending upon the traffic demand and commercial viability. As such, the airlines are free to operate anywhere in the country subject to compliance of route dispersal guidelines issued by Government.

Expansion of international air services

f2893.PROF. R.B.S. VARMA:
SHRI RUDRANARAYAN PANY:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government are considering to increase air services to foreign countries;

(b) if so, the details thereof; and

(c) the details of air services to America and Britain at present?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRl PRAFUL PATEL): (a) and (b) Traffic rights for operation of international air services are specified in our bilateral Air Services Agreements with various countries and are reviewed from time to time as part of on-going process depending on traffic demand, balance of benefit to our carriers, overall interest of national economy and diplomatic/political considerations. Actual operations including route selections are, however, left to the commercial judgement of airlines.

(c) As per the existing air services arrangement with USA, both sides

† Original notice of the Question was received in Hindi.